

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
FARMDALE WATER DISTRICT)	2016-00388

ORDER

On November 7, 2016, Farmdale Water District ("Farmdale") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Farmdale purchases water from Frankfort Electric & Water Plant Board ("Frankfort").

2. Frankfort notified Farmdale that, effective November 1, 2016, Frankfort's wholesale rate to Farmdale would increase from \$2.35 per 1,000 gallons to \$2.45 per 1,000 gallons.² Farmdale proposes to increase the water rates to its customers effective December 1, 2016, to reflect the increased cost of purchased water.

3. Farmdale proposes a purchased water adjustment factor of \$0.16 per 1,000 gallons.

4. During the 12 months ended August 30, 2016, Farmdale purchased 239,368,000 gallons of water from Frankfort. During the same period, Farmdale sold

¹ KRS 278.015; 807 KAR 5:068.

² See Case No. 2014-0254, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board*, Parties Joint Settlement Stipulation and Recommendation (filed Oct. 10, 2014).

151,993,000 gallons of water. The increase in the cost of purchased water is \$23,936.80, resulting in a purchased water adjustment factor of \$0.16 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.16 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Farmdale's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered by Farmdale on and after December 1, 2016.

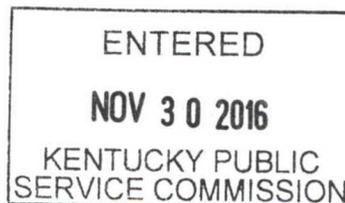
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.16 per 1,000 gallons is approved.

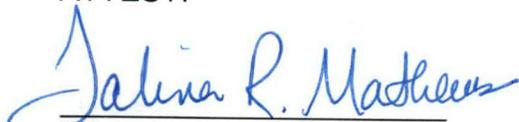
2. Farmdale's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by Farmdale on and after December 1, 2016.

3. Within 20 days of the date of this Order, Farmdale shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00388 DATED **NOV 30 2016**

	New Rate	Base Rate
Farmdale		
Purchases in gallons	239,368,000	239,368,000
Volumetric rate	<u>\$ 2.45/1,000</u>	<u>\$2.35/1,000</u>
	\$586,451.60	\$562,514.80

Increased water cost \$23,936.80

Increased water cost \$ 23,936.80
Divided by gallons sold/1,000 151,993,000
Purchased water adjustment factor \$ 0.1574

or \$ 0.16 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00388 DATED **NOV 30 2016**

The following rates and charges are prescribed for the customers in the area served by Farmdale Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Rates

5/8- x 3/4-Inch Meters

First 2,000 Gallons	\$17.58 Minimum Bill
Next 3,000 Gallons	5.79 per 1,000 Gallons
Next 5,000 Gallons	5.33 per 1,000 Gallons
Over 10,000 Gallons	4.85 per 1,000 Gallons

1-Inch Meters

First 5,000 Gallons	\$34.95 Minimum Bill
Next 5,000 Gallons	5.79 per 1,000 Gallons
Next 140,000 Gallons	5.33 per 1,000 Gallons
Over 150,000 Gallons	4.85 per 1,000 Gallons

4-Inch Meters

First 50,000 Gallons	\$255.60 Minimum Bill
Next 50,000 Gallons	5.79 per 1,000 Gallons
Next 50,000 Gallons	5.33 per 1,000 Gallons
Over 150,000 Gallons	4.85 per 1,000 Gallons

*Farmdale Water District
100 Highwood Drive, Route 8
Frankfort, KY 40601

*Clifford Toles
Chairman
Farmdale Water District
100 Highwood Drive, Route 8
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